

MR. MUMME: Thank you very much. I want to thank the Commissioners for the opportunity to offer some views on how NAFTA is affecting the border environment.

As you just indicated, I teach political science at Colorado State University and we have a strong environmental focus in our political science program.

And I've been in that capacity looking at the border environment and developments in the border environmental management for over a decade.

My comments this afternoon really focus on the institutional development along the border in the environmental area and speak to some of the things that Gregg mentioned a moment ago. As I don't have to tell you, border environment was really a very controversial issue in the NAFTA debates, and it's still controversial, some six years later.

One of the things that's really fascinating about all this is that we know a lot of specific things about the environment along the border, but we don't really have a very good comprehensive view of environmental facts along the border, which is one of the reasons that Gregg's reference to the Border XXI Environmental Indicator Project is so important.

What we do know is the border is growing and how much of that is attributable to NAFTA, how much is not attributable to NAFTA is an interesting question.

We need to know how that's working out. But the border is growing and there is a tremendous amount of environmental stress. There is I think a consensus across the border at the level of NGOs, academics, government officials that the infrastructure is inadequate and we need to be dealing with that.

What is undeniably positive about NAFTA is its creation of institutions, and I think that this cannot be stressed too much. The border environment was under-institutionalized at the time that NAFTA was created. The side agreements have been very positive.

The side agreements, of course, created the BECC, the Border Environment Cooperation Commission, the North American Development Bank. They boosted the involvement of the two environmental ministries in the area through the Border XXI Program. And of course, there is the North American region-wide CEC in Montreal -- was created under the North American Agreement of Environmental Cooperation.

And all these things are really very, very positive, and they have had important consequences for the border.

Now, Pete and Victor well tell you about the BECC and the NADBank. I don't see the point of going through the details on that, though I mentioned some of them in my written presentation.

In general, I think these agencies are really doing remarkable work and provide a real model for how two countries can deal with tremendous asymmetries and resource issues in addressing their environmental problems on the border. The Border XXI Program is probably where I would center most of my attention.

The Border XXI has also been, I think, a positive development along the border. It has an older history. It goes back to 1983. I really don't need to recapitulate that history, but it's also one of the programs I think that is most controversial because in point of fact, it tries to do a great many things but there are real issues as to how well it achieves its objectives, pursues its strategies, and just what its impact has been to date along the border. And I want to come back to that in a moment.

Then there's the CEC, and the CEC has a very unique role to play here. It's often not discussed in debates and discussions about the border, but it's playing a very important role. One of the very important things it's doing is trying to actually do some NAFTA environmental assessment and develop the framework that is a credible framework -- an accepted framework in the tri-national area for assessing these effects.

I just can't understate the value of doing that because we need this kind of information, and it is also very much involved through its investigative and fact-finding activities in drawing attention to important issues along the border. The CEC produced a report on the Rio San Pedro -- the upper Rio San Pedro -- that I think is actually moving the states, moving the Federal Government, moving the local communities to address its problems in a very cooperative way.

I think that's a highly constructive role for the CEC. It can do more of that along the border.

At any rate, I review some of these developments, and I'd like to turn really to my recommendations very quickly.

COMMISSIONER HILLS: Page 11 of your written testimony?

MR. MUMME: Yes. I want to take this unique opportunity to add a little weight to certain things that a number of people along the border are saying about the border environment.

One is there's no doubt that BECC needs support and NADBank needs support, particularly in areas like their border environmental infrastructure fund, which the Congress was in the business of cutting just a few months ago. This is the wrong direction to take along the border. Pete will tell you just how the shortfalls go in a moment, but they really need this kind of support, and that applies to some other of their program areas, too.

BECC has been criticized somewhat for its public participation, yet this is one of its shining, sterling achievements. We should not let the perfect be the enemy of the good here. There are real problems in public participation along the border owing to the asymmetry between the political practices, social realities in the two countries, and I would just urge

BECC to keep working on that because I think this is an area where progress can be made.

Border XXI still remains overly federal. It really needs to focus more on developing public participation and on its stated strategic objective of decentralizing and bolstering the ability of local governments and local communities to deal with their environmental problems. I think that's one of the real deficiencies in the current arrangement. I don't think people around the table would disagree with me on that.

And then I think that it needs to prioritize more. The strategic developments that have happened recently are very positive. The reality is that some programs are perhaps more important than others for the long run, but the work group system that is currently in place doesn't really allow that kind of prioritization to surface very well, and that's one of the things that I think needs to be addressed.

And finally, with the Commission on Environmental Cooperation I'd simply say that the governments need to get behind what they are doing. They have really taken a very modest and practical pragmatic approach to dealing with what in fact was an

extraordinary mandate they had, and they are making progress in a number of areas, and I think the governments should try and support what they are doing.

Thank you. I appreciate your attention.

COMMISSIONER HILLS: Thank you, Professor Mumme.

I will next call upon Peter Silva, who is the Deputy General Manager of the Border Environmental Cooperation Commission. Welcome, and we look forward to your remarks.